

DURUM WHEAT PRODUCTION IN TULELAKE AREA,  
CALIFORNIA

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AUGUST 11, 1959.—Ordered to be printed

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Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, submitted the following

## R E P O R T

[To accompany S. 623]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 623) to exempt the production of Durum wheat in the Tulalake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, having considered the same, report thereon with a recommendation that it do pass with amendments.

The bill, as amended by the committee amendments, would extend Public Law 390, 85th Congress, to cover the 1960 and 1961 crops of Durum wheat in the Tulalake area of California. That law provides for increasing wheat acreage allotments in that area to 8,000 acres, the increase for each farm being conditioned upon the production of Durum wheat on the increased acreage. S. 623, as introduced, would have exempted the producers in the area from all acreage restrictions permanently. In view of present excessive supplies of all wheat and possible oversupplies of Durum wheat in specific years, the committee believed a complete exemption would be undesirable and would set a bad precedent, but that the limited relief provided by the bill was reasonable and necessary.

The Tulalake division of the Klamath project was developed by the Bureau of Reclamation and released by it for homesteading by World War I and II veterans. More than 95 percent of those now farming in the area are such veterans.

Only a few crops can be grown successfully in the area and Durum wheat was introduced in 1952. When special legislation was in effect in 1956 and 1957 to promote the production of Durum wheat in this and other areas, producers expanded their acreage but such acreage could not be counted as history for purposes of allocating future acreage allotments. Consequently, Public Law 390, 85th Congress,

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was enacted, giving the Tulalake producers an 8,000-acre allotment which could be counted as acreage allotment history. However, it was not enacted in time for the producers to take full advantage of it in 1958 and less than 5,000 acres were planted that year. Since the larger acreage planted this year cannot be counted in allocating the 1960 acreage allotment, it is estimated the 1960 allotment for the area will be around 1,500 acres unless the law is changed.

Durum wheat, which is the preferred cereal for the manufacture of macaroni, spaghetti, and similar products, will grow properly in only a few areas of the United States. These areas are located in Minnesota, North Dakota, South Dakota, Montana, and the Tulalake region of California. Durum wheat from the Tulalake area has created and sustained a new market, which cannot be economically supplied by wheat from the other areas. If this supply is now mandatorily reduced to less than one-fourth of its present total, severe disruption of this new industry will result and farmers of the area will be foreclosed from using a market which is ready to utilize their product.

The additional acreage would be allotted within the area on the basis of relative needs, tillable acreage, and other factors, and if planted, would be taken into account in establishing future State, county, and farm allotments. No wheat on a farm receiving an additional acreage allotment would be eligible for price support.

The report from the Department of Agriculture on the bill as introduced is attached.

DEPARTMENT OF AGRICULTURE,  
*Washington, D.C., March 18, 1959.*

Hon. ALLEN J. ELLENDER,  
*Chairman, Committee on Agriculture and Forestry,*  
*U.S. Senate.*

DEAR SENATOR ELLENDER: This is in reply to your request of January 26, 1959, for a report on S. 623, a bill to exempt the production of Durum Wheat in the Tulalake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

This Department does not recommend the enactment of S. 623.

S. 623 would amend section 334 of the Agricultural Adjustment Act of 1938, as amended, to exempt the production of Durum wheat (class II) in the Tulalake area of Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the act, effective with respect to the 1960 and subsequent crops, and to make ineligible for price support Durum wheat (class II) of the 1960 and subsequent crops produced in such area.

Our primary objection to the enactment of this bill stems from the fact that it would establish a precedent which could be used by producers of other classes of wheat, as well as producers of other commodities, as a basis for similar requests for exemption by legislative action. Such requests, if granted, could work to the disadvantage of producers of the commodity in other areas and would be inconsistent with the real purpose and objectives of the production adjustment programs.

It is our opinion that the enactment of this bill would be unfair to producers of Durum wheat (class II) in areas outside the Tulalake area

of California, because unrestricted production of Durum wheat in the Tulalake area would result in a considerable increase in the acreage seeded in such area and a substantial reduction in the movement of macaroni products from other areas of production to the west coast. We believe that the potential production of Durum wheat in the Tulalake area is adequate to supply the entire needs of the macaroni industry on the west coast.

With the carryover of all wheat at the beginning of the 1959-60 marketing year currently estimated at approximately 1.3 billion bushels, an alltime record high, and with the carryover of Durum wheat estimated to be almost as large as the production in 1958 of 22 million bushels, we feel the supply of Durum wheat for the 1960-61 marketing year will be more than adequate to meet all anticipated requirements without the enactment of legislation such as contained in S. 623.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,  
*Acting Secretary.*

#### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

(i) Notwithstanding any other provision of this Act the Secretary shall increase the acreage allotments for the 1958 [and 1959] *through 1961* crops of wheat for farms in the irrigable portion of the area known as the Tulalake division of the Klamath project of California located in Modoc and Siskiyou Counties, California, as defined by the United States Department of Interior, Bureau of Reclamation, and herein-after referred to as the area. The increase for the area for each such crop shall be determined by adding to the total allotments established for farms in the area for the particular crop without regard to this subsection, hereinafter referred to as the original allotments, an acreage sufficient to make available for each such crop a total allotment of eight thousand acres for the area. The additional allotments made available by this subsection shall be in addition to the National, State and county allotments otherwise established under this Act, but the acreage planted to wheat pursuant to such increased allotments shall be taken into account in establishing future State, county, and farm acreage allotments. The Secretary shall apportion the additional allotment acreage made available under this subsection between Modoc and Siskiyou Counties on the basis of the relative needs for additional allotments for the portion of the area in each county. The Secretary shall also allot such additional acreage to individual farms in the area for which an application for an increased acreage is made on the basis of tillable acres, crop rotation practices, type of soil and topography, and taking into account the original allotment for the farm, if any. No producer shall be eligible to participate in the wheat acreage reserve program with respect to any farm for any

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year for which such farm receives an additional allotment under this subsection; and no wheat produced on such farm in such year shall be eligible for price support. The increase in the wheat acreage allotment for any farm under this subsection shall be conditioned upon the production of durum wheat (class II) on such increased acreage.

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